ORDER No. A. F. 5674-5—FT. 167-39-4, DATED BANGALORE, THE 18TH APRIL 1940.

The particulars of timber as revised will be as follows:—

| | Particulars | Rates sanctioned, per cubic ft. Rs. a. p. |
|---|---|---|
| 1. | Teak Logs, 5′ and up in girth and 15′ and up in length ... | 3 0 0 |
| 2. | Do do below 15′ in length ... | 2 12 0 |
| 3. | Do 4′ to 5′ in girth and 15′ and up in length ... | 2 8 0 |
| 4. | Do do below 15′ in length ... | 2 4 0 |
| 5. | Do 3′ to 4′ in girth and 15′ and up in length ... | 2 0 0 |
| 6. | Do do below 15′ in length ... | 1 12 0 |
| 7. | Do below 3′ in girth and 15′ and up in length ... | 1 4 0 |
| 8. | Do do below 15′ in length ... | 1 0 0 |

J. APPAJI GOWDA,
*Secretary to Government,*
*General Department.*

## DEVELOPMENT SECRETARIAT

**Flotation of a Joint-Stock Company for the Resuscitation of the Match Industry in the State.**

READ—

Government Order No. I. C. 6161-3—I. & C., 149-22-6, dated 11th April 1923, sanctioning the grant of certain concessions to Mr. Rahimtoola of Bombay for starting a Match Factory in the State, subject to certain conditions.

2. Government Order No. D. 5601-3—I. & C. 329-32-9, dated 17th May 1934, sanctioning the continuance for a further period of ten years from 11th April 1934, of the concession granted to the Mysore Match Manufacturing Co., Ltd., Bangalore, for extracting certain soft woods in the Forests of the State in connection with the manufacture of matches by the Company.

3. Government Order No. D. 1885-87—I. & C. 244-37-8, dated 16th September 1938, withdrawing the concessions granted to the Mysore Match Manufacturing Co., Ltd., as the Company had ceased to work continuously for a period of more than three years.

4. Letter No. 676, dated 22nd April 1939, from Messrs. Mohamed Khaleeli Shirazi & Sons, Bangalore City, to the Director of Industries and Commerce in Mysore, Bangalore, accepting the terms for handing over the land and buildings and machinery—with a few specified exceptions—of the Mysore Match Manufacturing Co., Ltd., to a new Company to be formed with the assistance of Government.

5. Letter dated 1st December 1939, from Mr. Mohamed Rahim Khaleeli, Liquidator, the Mysore Match Manufacturing Co., Ltd. (in liquidation), to the Chairman, Mysore Iron and Steel Works, confirming the arrangements referred to in paragraph 4 above.

ORDER No. D. 4680-4740—I. & C. 145-38-15, DATED BANGALORE, THE 12TH APRIL 1940.

With a view to establish an industry for the manufacture of matches in Mysore, Government granted certain concessions in the year 1923, and a Joint-Stock Company was established in 1925 with the factory located in Shimoga. Operations were started in 1927, but for various reasons the factory did not work to the full capacity and the operations were intermittent. From about May 1934, the factory ceased to work and the company has gone into voluntary liquidation.

2. As the industry has an important place in the national economy and is calculated to utilise local resources and give employment to local labour, Government felt that every attempt should be made to revive the manufacturing operations

at Shimoga. With this end in view, they had the machinery of the factory examined and valued by an expert. On the basis of the expert's opinion, negotiations were started with the representative of the Managing Agents, Mr. Mohamed Rahim Khaleeli, who has agreed to accept the offer of Rs. 1,50,000 for the plant, machinery and lands and buildings belonging to the company now under liquidation of which Rs. 1 lakh will be paid in cash and the balance of Rs. 50,000 in fully paid-up shares in the new concern to be floated. This arrangement has since been confirmed by Mr. Mohamed Rahim Khaleeli as Liquidator of the Mysore Match Manufacturing Co., Ltd., (in liquidation).

3. The capital and revenue estimates have been examined and a sum of Rs. 3 lakhs would, it is estimated, be required to purchase the existing factory and provide the necessary finance for minor changes and improvements of the plant and for working capital. Government feel that it would be desirable to float a company with an authorised capital of Rs. 5 lakhs, though a sum of about Rs. 3 lakhs may be called up in the first instance. The issued capital of Rs. 5 lakhs would include the fully paid-up shares of Rs. 50,000 to be allotted to Messrs. Mohamed Khaleeli Shirazi & Sons against the purchase price. There is a reasonable prospect that the operations will, on the above basis, prove profitable even in normal times.

4. In order to ensure the success of the new venture, Government are pleased to grant the following concessions to the Limited Liability Company to be established :—

(*a*) Government will subscribe for shares of the nominal value of Rs. 50,000.

(*b*) Subject to conditions and terms that may be prescribed from time to time in consultation with the Company, it will be permitted to extract soft woods of varieties suitable for the manufacture of match splints, boxes, etc., at a seigniorage rate of one anna a cubic foot; or alternatively, the Forest Department of the Government of Mysore will supply the timber required at rates to be mutually agreed upon. The Company will have to exercise the option before the commencement of operations. The above concession will be in force for ten years.

5. The grant of the concessions will be subject to the following conditions :—

(*a*) Three out of the nine Directors proposed for the Company will be nominated by Government, one of whom will be the Chairman and Managing Director.

(*b*) The appointments of the Secretary and General Manager will be subject to the approval of Government.

(*c*) Government will have the right to cause the accounts of the Company to be inspected and audited at any time by their officers, at their own cost.

6. The provisional Board of Directors of the proposed Company will be constituted as follows :—

(1) The Chairman, Mysore Iron and Steel Works (Chairman and Managing Director).
(2) The Chief Conservator of Forests in Mysore (Government Director).
(3) *Rajadharmaprasakta* K. Shankaranarayana Rao, M.A., B.L., retired Judge, High Court of Mysore, Bangalore (Government Director).
(4) Mr. B. R. Puttananjappa, M.A., LL.B., Advocate, Shimoga.
(5) Mr. T. Borajjanna, Merchant, Bangalore.
(6) Mr. Mohamed Rahim Khaleeli, Bangalore.
(7) Mr. H. Lingappa, B.A., B.L., M.L.C., Advocate, Shimoga.
(8) Nawab Sher Khan, Member, Representative Assembly, Honnali.
(9) *Lokasevaniratha* M. S. Davey Gowda, M.L.C., Proprietor, Shankar Motor Service, Koppa.

7. The Comptroller is requested to place at the disposal of the Chairman a sum not exceeding Rs. 5,000 to meet preliminary expenses. This amount will be adjusted eventually as part of the share capital subscribed by Government.

C. E. NORONHA,
*Secretary to Government,*
*Development Department.*